

109TH CONGRESS
1ST SESSION

H. R. 2899

To amend the Internal Revenue Code of 1986 to extend and modify the credit for producing fuel from a nonconventional source.

IN THE HOUSE OF REPRESENTATIVES

JUNE 14, 2005

Mr. MOORE of Kansas (for himself, Mr. SHIMKUS, Mr. MATHESON, and Mr. BACHUS) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to extend and modify the credit for producing fuel from a nonconventional source.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. EXTENSION AND MODIFICATION OF CREDIT**
4 **FOR PRODUCING FUEL FROM A NONCONVEN-**
5 **TIONAL SOURCE.**

6 (a) IN GENERAL.—Section 29 of the Internal Rev-
7 enue Code of 1986 is amended by adding at the end the
8 following new subsection:

9 “(h) EXTENSION FOR OTHER FACILITIES.—

1 “(1) EXTENSION FOR OIL AND CERTAIN GAS.—

2 In the case of a well for producing qualified fuels de-
3 scribed in subparagraph (A) or (B)(i) of subsection
4 (c)(1)—

5 “(A) notwithstanding subsection (f), this
6 section shall apply with respect to such fuel—

7 “(i) which is produced from a well
8 drilled after the date of the enactment of
9 this subsection and before January 1,
10 2009, and

11 “(ii) which is sold not later than the
12 earlier of January 1, 2012, or the close of
13 the 4-year period beginning on the date
14 that such fuel is produced, and

15 “(B) with respect to such fuels produced
16 from a well described in subsection (f)(1)(A),
17 subsection (f)(2) shall be applied by sub-
18 stituting ‘2009’ for ‘2003’.

19 “(2) EXTENSION FOR FACILITIES PRODUCING
20 QUALIFIED FUEL FROM LANDFILL GAS.—

21 “(A) IN GENERAL.—In the case of a facil-
22 ity for producing qualified fuel from landfill gas
23 which was placed in service after June 30,
24 2000, and before January 1, 2009, this section
25 shall apply to fuel produced at such facility dur-

ing the 5-year period beginning on the later
of—

“(i) the date such facility was placed
in service, or

“(ii) the date of the enactment of this
subsection.

“(B) REDUCTION OF CREDIT FOR CERTAIN
LANDFILL FACILITIES.—In the case of a facility
to which paragraph (1) applies and which is
subject to the 1996 New Source Performance
Standards/Emissions Guidelines of the Environ-
mental Protection Agency, subsection (a)(1)
shall be applied by substituting ‘\$2’ for ‘\$3’.

“(3) SPECIAL RULES.—

“(A) DAILY LIMIT.—In determining the
amount of credit allowable under this section
solely by reason of this subsection, the amount
of qualified fuels sold during any taxable year
which may be taken into account by reason of
this subsection with respect to any project shall
not exceed an average barrel-of-oil equivalent of
200,000 cubic feet of natural gas per day. Days
before the date the project is placed in service
shall not be taken into account in determining
such average.

1 “(B) EXTENSION PERIOD TO COMMENCE
2 WITH UNADJUSTED CREDIT AMOUNT.—In de-
3 termining the amount of credit allowable under
4 this section solely by reason of this subsection
5 with respect to fuels sold during 2005 and
6 2006, the dollar amount applicable under sub-
7 section (a)(1) shall be \$3 (without regard to
8 subsection (b)(2)). In the case of fuels sold
9 after 2006, subparagraph (B) of subsection
10 (d)(2) shall be applied by substituting ‘2006’
11 for ‘1979’.”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 this section shall apply to fuel sold after the date of the
14 enactment of this Act in taxable years ending after such
15 date.

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